

DISPATCH		CLASSIFICATION SECRET	DISPATCH SYMBOL AND NO. 25X1A6c
TO INFO	Chief of Station, [REDACTED] 25X1A6a		HEADQUARTERS FILE NO.
FROM	Deputy Comptroller		DATE
SUBJECT	Implementation of Cost Based Budget		RE: "43-3" (CHECK "X" ONE) <input type="checkbox"/> MARKED FOR INDEXING <input checked="" type="checkbox"/> NO INDEXING REQUIRED
ACTION REQUIRED	See paragraph 5 below		INDEXING CAN BE JUDGED BY QUALIFIED HQ. DESK ONLY
REFERENCE	25X1A6c [REDACTED] 25X1A6a		
<p>1. We appreciate the [REDACTED] Station offering its facilities as a proving and testing ground for the implementation of cost based budget procedures.</p> <p>2. We have delayed until now answering your dispatch because it was our original intention to outline in our reply certain procedures which we would like for you to experiment with. However, we have concluded that we require more time to develop such procedures and therefore this reply constitutes primarily acknowledgment and acceptance of your offer.</p> <p>3. For your advanced information we have in mind asking you to experiment with such types of procedures as (1) financial control of real property, (2) accrual of costs at stations in lieu of accrual at Headquarters and (3) distribution of support costs to operations. With respect to the latter you probably know that in our Congressional Budget Presentation we distribute support to operational programs but we believe the basis for this distribution can be improved upon or perhaps it would be advisable to charge certain expenses to operations directly which are now charged to support.</p> <p>4. You may wonder why we do not include for experiment control of property at field stations. For your information we intend to implement control of property issues at all Type I Stations beginning with the issuance of station allotments for the Fiscal Year 1960. However, in this regard you can be very helpful by working closely with us on this control system.</p> <p>25X1A6a 5. With regard to your suggestion that we consider holding a seminar in [REDACTED] during May 1960 we believe it advisable at a later date to consider the advisability for such a seminar. The justification for the seminar will depend upon the extent of experimentation at [REDACTED] the results and the conclusions reached as to advantages to be gained from such a meeting. 25X1A6a</p> <p>6. As soon as practicable we will advise you in more detail regarding specific experiments and in the meantime you might be giving consideration to the three items mentioned above and the manner in which you might be able to implement experiments for such items.</p> <p>[REDACTED] 25X1A2e</p> <p>9 July 1959</p> <p>Distribution: 3 - [REDACTED] 25X1A6a ✓ 1 - Dep. Compt. 1 - Finance Div.</p> <p>REC 36 REV DATE 27-5-81 BY 06159 DND COMD 38 DND CALL 5 JUST 22 NEED REV 2011</p> <p>CONFIDENTIAL</p> <p>FORM 10-57 53 (40) USE PREVIOUS EDITION. REPLACES FORMS 51-28, 51-28A AND 51-29 WHICH ARE OBSOLETE.</p> <p>CLASSIFICATION SECRET</p> <p>PAGE NO.</p>			